

RESOLUTION NO. 10-33

RESOLUTION OF THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AUTHORIZING AN AMENDED AND RESTATED LOAN AGREEMENT AND AN AMENDED AND RESTATED INDENTURE AND THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF AN ALTERNATE CREDIT FACILITY; ADDITION OF A CONFIRMING LETTER OF CREDIT; ADDITION OF A MONTHLY RATE PERIOD AND THE REMARKETING AND TAX REISSUANCE WITH RESPECT TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK VARIABLE RATE DEMAND REVENUE BONDS, (ST. MARGARET'S EPISCOPAL SCHOOL) SERIES 2008

WHEREAS, the California Infrastructure and Economic Development Bank (the "Issuer") was established pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (California Government Code Section 63000 and following) (the "Act"), for the purpose of promoting economic development; and

WHEREAS, the Issuer is authorized to issue tax-exempt revenue bonds to provide financing for economic development facilities (as such term is defined in the Act) located in the State of California; and

WHEREAS, on January 31, 2008, the Issuer issued its Variable Rate Demand Revenue Bonds (St. Margaret's Episcopal School) Series 2008 (the "Bonds") in an aggregate principal amount of \$25,000,000, pursuant to an Indenture, dated as of January 1, 2008 (the "Original Indenture"), between the Issuer and Wells Fargo Bank, National Association, as trustee (the "Trustee") and loaned the proceeds of such Bonds to St. Margaret of Scotland Episcopal School, a California nonprofit public benefit corporation (the "Borrower"), pursuant to a Loan Agreement, dated as of January 1, 2008 (the "Original Loan Agreement"), between the Borrower and the Issuer, for the purpose of financing costs of the construction, renovation, furnishing and equipping of certain educational facilities, and certain costs of issuance in connection therewith; and

WHEREAS, principal and interest payments with respect to the Bonds is currently secured by a letter of credit (the "Current Credit Facility") provided by Allied Irish Bank, p.l.c., acting through its New York Branch (the "Current Credit Provider"); and

WHEREAS, the Borrower desires to provide an Alternate Credit Facility (as defined in the Original Indenture) for the Current Credit Facility, consisting of both a letter of credit ("New Credit Facility") to be issued by First Republic Bank (the "New Credit Provider") and the addition of an irrevocable standby letter of credit confirmation (the "Confirming Letter of Credit") to be issued by the Federal Home Loan Bank of San Francisco (the "Confirming Bank"); and

WHEREAS, the Borrower has determined that a Monthly Rate Period should be added for the Bonds and that the Bonds be adjusted to bear interest in the Monthly Rate Period

effective on the date the Bonds are subject to mandatory tender for purchase in connection with the substitution of the New Credit Facility for the Current Credit Facility and the addition of the Confirming Letter of Credit (the “Replacement Date”); and

WHEREAS, the Borrower has requested that the Issuer and the Trustee amend and restate the Original Indenture and the Original Loan Agreement to provide for amendments relating to (1) the addition of the Monthly Rate Period, and (2) provisions relating to the addition of the Confirming Letter of Credit; and

WHEREAS, Section 9.01(l) of the Original Indenture, provides that the Issuer and the Trustee may enter into amendments of the type contemplated herein to the Original Indenture and the Original Loan Agreement, without the consent of any Bondholders, but with the prior written consent of the Borrower and the Credit Provider (the “Indenture Amendment Consents”), if the effective date of the amendments is a date on which all of the Bonds are subject to mandatory tender for purchase; and

WHEREAS, Section 25 of the Original Loan Agreement, provides that amendments to the Original Loan Agreement are effective only with the written consent of the Trustee and the Credit Provider (the “Loan Agreement Consents”); and

WHEREAS, the Amended and Restated Indenture and the Amended and Restated Loan Agreement will become effective following the mandatory tender of the Bonds on the Replacement Date, when the Indenture Amendment Consents and the Loan Agreement Consents are on file with the Trustee; and

WHEREAS, pursuant to Section 6 of the Original Loan Agreement the Borrower may provide an alternate credit facility so long as certain prior notices, opinions and ratings information are delivered (“Substitution Requirements”); and

WHEREAS, the Borrower had represented that the Substitution Requirements are expected to be met on or prior to the Replacement Date; and

WHEREAS, the amendments of the Original Indenture and Original Loan Agreement and the remarketing of the Bonds in the Monthly Rate Period creates a substantial change in the terms of the Bonds, which change causes the Bonds to be treated as a new issue for tax purposes and will require a new Tax Certificate and Agreement to be entered into between the Borrower and the Issuer (the “Tax Agreement”); and

WHEREAS, there is now on file with the Secretary of the Board of Directors (the “Secretary”) the following:

- 1) A proposed form of an Amended and Restated Indenture (the “Amended and Restated Indenture”), to be entered into between the Issuer and the Trustee;
- 2) A proposed form of an Amended and Restated Loan Agreement (the “Amended and Restated Loan Agreement”), to be entered into between the Issuer and the Borrower; and

- 3) A proposed form of a Tax Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California Infrastructure and Economic Development Bank, as follows:

Section 1. The above recitals are true and correct.

Section 2. The proposed form of Amended and Restated Indenture on file with the Secretary of the Board (the "Secretary") is hereby approved, and the Chair of the Board of Directors, the Chair's designee, or the Executive Director of the Issuer (the "Executive Director"), each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver the Amended and Restated Indenture to the Trustee in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Issuer's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the delivery thereof. The Secretary is authorized to attest to the execution of the Amended and Restated Indenture.

Section 3. The proposed form of the Amended and Restated Loan Agreement on file with the Secretary is hereby approved, and the Chair of the Board of Directors, the Chair's designee, or the Executive Director, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver the Amended and Restated Loan Agreement in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Issuer's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the delivery thereof. The Secretary is authorized to attest to the execution of the Amended and Restated Loan Agreement.

Section 4. The proposed form of the Tax Agreement on file with the Secretary is hereby approved, and the Chair of the Board of Directors, the Chair's designee, or the Executive Director, each acting alone, is hereby authorized and directed, for and on behalf and in the name of the Issuer, to execute and deliver the Tax Agreement in substantially said form, with such changes and insertions therein as may be necessary or appropriate to cause the same to carry out the intent of this resolution and as the officer or official executing the same, with the advice of the Issuer's counsel, may require or approve, such requirement or approval to be conclusively evidenced by the delivery thereof.

Section 5. The Executive Director, the Chair of the Board of Directors, or the Chair's designee, each acting alone, is hereby authorized and directed, for and in the name and on behalf of the Issuer, to execute replacement bonds in an aggregate principal amount not to exceed the amount of Bonds outstanding as of the date of execution thereof in accordance with the terms of this resolution and the Amended and Restated Indenture and in the form set forth in the Amended and Restated Indenture. The replacement bonds, when so executed, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate and register the replacement bonds so delivered by executing the appropriate Certificate of Authentication and Registration appearing thereon, and to deliver the new bonds, when duly executed, authenticated and registered.

Section 6. The Chair of the Board of Directors, the Chair's designee or the Executive Director, each acting alone, is hereby authorized to execute all certificates and instruments (including without limitation letters of representations, certifications of authority and tax forms required by the Internal Revenue Service in connection with the reissuance of the Bonds) which

they or counsel to the Issuer may deem necessary or advisable to effectuate the purpose of this resolution.

Section 7. The signatures of the Issuer to the Amended and Restated Indenture and Amended and Restated Loan Agreement authorized by this resolution shall not be deemed effective until the Loan Agreement Consents and Indenture Amendment Consents have been received by the Trustee.

Section 8. All actions heretofore taken by the officers, employees and agents of the Issuer with respect to the actions contemplated by this resolution are hereby approved, confirmed and ratified. The officers of the Issuer and their authorized designees, deputies, agents and counsel are hereby authorized and directed, jointly and severally, to perform their duties and to execute and deliver any and all certificates which they or counsel to the Issuer, may deem necessary or advisable in order to effectuate the purposes of this resolution.

Section 9. This resolution shall take effect immediately upon its passage.

PASSED, APPROVED, AND ADOPTED at a meeting of the California Infrastructure and Economic Development Bank on October 26, 2010, by the following vote:

AYES: Berte, Redway, Bryant, Leonard, Rice


NOES: None

ABSENT: None

ABSTAIN: None

By 
Stanton C. Hazelroth, Executive Director

Attest:

By 
Roma Cristia-Plant,
Secretary of the Board of Directors